

# Alliance of Western Milk Producers

November 7, 2008

Mr. David Ikari, Chief  
Dairy Marketing Branch  
California Department of Food and Agriculture  
560 J Street, Suite 150  
Sacramento, CA 95814

## **RE: October 30<sup>th</sup> – 31<sup>st</sup> Class 1, 2 and 3 Hearing -- Post Hearing Brief**

Mr. Hearing Officer and Members of the Hearing Panel:

Thank you for the opportunity to file this post hearing brief.

I have two comments to add to the testimony given at the hearing. The first is obvious but it should be reflected in the hearing record. Senator Obama has been elected President of the United States. He is a strong supporter of the corn-based ethanol program and his campaign staff has been quoted (since the election) saying that he will continue to support the “important” ethanol program. In addition, he has already signaled a willingness to “bail out” the troubled existing ethanol plants that are facing bankruptcy. There will be no relief from this false demand for corn any time soon.

Secondly, we urge the department to not be heavily swayed by the plight of the 40 or so producers – 2% of the dairymen in our state - who have lost their contracts to deliver milk to various plants. We do not believe that the implementation of a surcharge for \$1.00 per cwt on Class 1, 2 and 3 products for a period of six months will have any bearing on the problems faced by these producers. While not privy to all the details we have reason to believe that the milk of these producers is now being successfully handled. To the extent their milk goes to regulated California plants they too would benefit from the surcharge. Some portion of this milk may continue to be exported out of state, but this is already happening and this activity will not be increased or decreased with the addition of the proposed temporary surcharge.

The 98% of the producers who continue to have a home for their milk plus most of those who recently went through the trauma of losing their contract would all benefit a temporary boost to their income in these “interesting” times.

Sincerely,

William C. Van Dam, CEO

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